

HOUSE BILL 384

By Coleman

AN ACT to amend Tennessee Code Annotated, Title 55,
relative to motor vehicles.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 55-3-124, is amended by deleting such section in its entirety and by substituting instead the following:

Section 55-3-124.

(a) The holder of any security interest in or lien on a motor vehicle may assign, absolutely or otherwise, such holder's security interest or lien to a person other than the owner without affecting the interest of the owner or the validity of the security interest or lien, but any person without notice of the assignment shall be protected in dealing with the holder of the security interest or lien, and the holder of the security interest or lien shall remain liable for any obligations as such holder until the assignee is named as the holder of the security interest or lien on the certificate of title.

(b) The assignee may, but is not required to, perfect the assignment, have the certificate of title endorsed or issued with the assignee named as holder of a security interest or lien upon delivering to the division the certificate and assignment by the holder of a security interest or lien named in the certificate in the form the division prescribes. If the assignment refers to a security interest or lien that is reflected on the certificate of title and the certificate of title is in the possession of the first security interest holder or lienholder as provided by this chapter, the assignee may, but is not required to, perfect the assignment or have the certificate of title endorsed by complying with the provisions of § 55-3-123.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

